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Canadian Economic Accounts Quarterly Review

Second Quarter 2002

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About this publication

This publication presents an overview of the economic developments reported in Canada's national accounts for the most recent quarter. The overview covers three broad areas: (1) the National Economic and Financial Accounts, (2) Canada's Balance of International Payments and (3) Gross Domestic Product by Industry.

The publication examines quarterly trends in the major aggregates that comprise Gross Domestic Product (GDP), both income- and expenditure-based, as well as prices and the financing of economic activity. It summarizes Canada's quarterly transactions with non-residents related to international trade, investment income flows, transfers and international investing and financing activities. GDP is examined by industry, both for the last month of the quarter and the quarter as a whole.

The overview is accompanied by graphics and several detailed statistical tables. Some issues also contain more technical articles, explaining national accounts methodology or analysing a particular aspect of the economy.

This publication carries the detailed analyses, charts and statistical tables that, prior to its first issue, were released in *The Daily* (11-001-XIE) under the headings National Economic and Financial Accounts, Canada's Balance of International Payments and Gross Domestic Product by Industry.

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System of National Accounts

Canadian Economic Accounts Quarterly Review

Second Quarter 2002

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Note of appreciation

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Symbols

The following standard symbols are used in Statistics Canada publications:

.	not available for any reference period
..	not available for a specific reference period
...	not applicable
p	preliminary
r	revised
x	suppressed to meet the confidentiality requirements of the Statistics Act
E	use with caution
F	too unreliable to be published

Related products and services

National economic and financial accounts

CANSIM tables 378-0001, 378-0002, 380-0001 to 380-0017, 380-0019 to 380-0035, 380-0037, 380-0057, 380-0058, 382-0006, 384-0001, 384-0002, 384-0004 to 384-0013, and 384-0036.

Publication

National income and expenditure accounts, quarterly estimates 13-001-XIB, $33/$109; 13-001-XPB, $44/$145.

Tables and analytical documents

Income and expenditure accounts	13-001-PPB, $50/$180
Financial flow accounts	13-014-PPB, $50/$180
Estimates of labour income	13F0016XPB, $20/$65

Diskettes 13-001-DDB, $125/$500; 13-014-DDB, $300/$1,200; 13F0016DDB, $125/$500; 13-014-XDB, $60/$240; 13-001-XDB, $25/$100; 13F0016XDB, $25/$100.

Canada's balance of international payments

CANSIM tables 376-0001 to 376-0017, 376-0035

Publication

Canada's balance of international payments 67-001-XIB, $29/$93; 67-001-XPB, $38/$124.

Gross domestic product by industry

CANSIM tables 379-0017 to 379-0022

Publication

Gross domestic product by industry 15-001-XIE, $11/$110

For more information

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Overview
Second quarter 2002

Real gross domestic product (GDP) advanced 1.1% in the second quarter, driven by domestic demand and a build-up of inventories. Canada's current account surplus with the rest of the world fell slightly but remained strong at $4.9 billion. GDP lost momentum towards the end of the quarter, edging up in June.

GDP growth in the second quarter, at 1.1%, matched the average over the previous two quarters and was well above the flat showing of the first three quarters of 2001. Final domestic demand gained 0.9%, matching its first quarter pace. Domestic demand was boosted by strong consumer spending on services and a pick-up of business investment in machinery and equipment which more than offset a dip in housing investment.

Manufacturers, wholesalers and retailers began to replenish stockpiles of inventory after three quarters of drawing down. Corporate profits continued to recover from their tumble in 2001 while healthy gains in employment pushed up labour income. Imports were up strongly to satisfy domestic demand and the rebuilding of inventory.

While the current account surplus fell in the second quarter, it remained above $4.0 billion for the 10th consecutive quarter, a level not reached before 2000. The lower surplus came as both the goods surplus and the investment income deficit narrowed and the travel deficit widened.

On the financial side of the balance of payments, acquisitions of foreign firms spurred Canadian direct investment abroad while investment in foreign equities continued at a much reduced pace. Foreign direct investment into the Canadian economy was down markedly while portfolio investment was boosted by near record purchases of new shares floated by Canadian companies in the US.

The second quarter saw broad-based strength in GDP across industries. The construction industry and its feeder industries all advanced. Automotive manufacturers raised output for export demand and to replenish inventories at the retail level. The elimination of softwood lumber duties for four weeks during the quarter boosted the forestry and wood products industries. The gains in manufacturing had positive spin-offs for energy, transportation and wholesaling services.

The economy lost momentum towards the end of the quarter after a strong start. GDP edged up 0.1% in June, the same as in May, after a strong 0.8% gain in April. June's increase in GDP was the ninth consecutive monthly advance since the downturn in September 2001.

Canadian Economic Accounts Key Indicators

	Second quarter 2001	Second quarter 2002	Second quarter 2001 to third quarter 2001	Third quarter 2001 to fourth quarter 2001	Fourth quarter 2001 to first quarter 2002	First quarter 2002 to second quarter 2002
	seasonally adjusted at annual rates					
National economic and financial accounts	$ millions at current prices		% change at quarterly rates			
Wages, salaries and supplementary labour income	567,676	590,528	0.1	1.0	1.6	1.2
Corporation profits before taxes	127,196	124,252	-12.4	-9.2	11.7	9.8
Personal disposable income	660,572	695,596	0.8	1.3	1.7	1.5
Personal saving rate[1]	3.7	5.3	…	…	…	…
	$ millions chained 1997					
Personal expenditures	579,317	593,119	-0.1	1.0	0.7	0.7
Business gross fixed capital formation	183,005	187,277	2.1	-3.7	2.1	1.9
Gross domestic product at market prices	1,026,454	1,059,412	-0.1	0.7	1.5	1.1
Gross domestic product by industry	$ millions at 1997 prices					
Goods producing industries	300,978	304,479	-1.7	-0.8	2.0	1.7
Services producing industries	639,240	661,629	0.5	1.0	1.1	0.9
Industrial production	229,505	231,715	-2.0	-1.1	2.4	1.7
Non-durable manufacturing	67,129	68,972	-1.0	0.2	1.3	2.3
Durable manufacturing	97,075	98,181	-2.3	-2.2	3.5	2.3
Information and communication technologies sector (ICT)	60,099	60,694	-1.5	-1.4	2.3	1.6
Balance of payments	$ millions at current prices					
	seasonally adjusted at quarterly rates		actual change			
Current account - balance	8,180	4,903	-3,788	36	862	-387
Goods and services - balance	14,596	11,829	-3,907	570	1,062	-492
Goods - balance	16,811	13,708	-4,024	168	963	-210
Services - balance	-2,215	-1,879	117	402	99	-282
Investment income - balance	-6,797	-7,223	-32	-554	-68	228
Current transfers - balance	381	297	151	19	-131	-123
	not seasonally adjusted					
Financial account - net flow	-13,885	-261	…	…	…	…
Canadian assets - net flow	-30,698	-11,782	…	…	…	…
Canadian liabilites - net flow	16,813	11,521	…	…	…	…

1 actual rate
... not applicable

National Economic and Financial Accounts

Second quarter 2002

Real gross domestic product (GDP) grew 1.1% in the second quarter on continued strong consumer spending, a pick-up of business investment in machinery and equipment and the rebuilding of inventory. GDP growth has averaged 1.1% over the past three quarters, following a lacklustre showing in the three previous quarters. Final domestic demand grew 0.9%, matching its pace in the first quarter. Inflation (as measured by the chain price index for GDP) rose 1.7%, the second quarter of price increase following two quarters of deflation.

Real gross domestic product, chained (1997) $ [1]

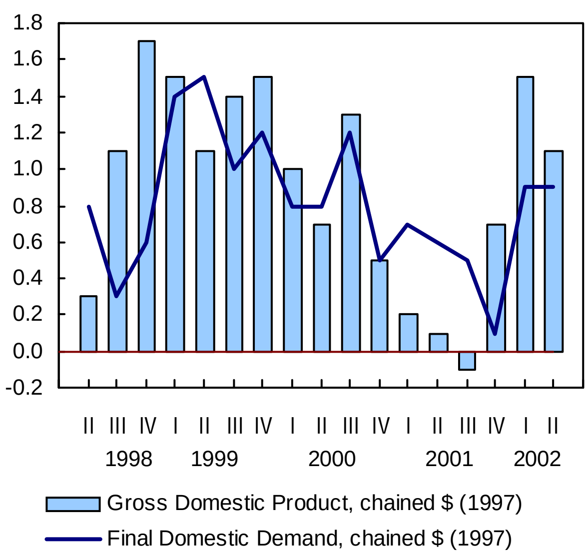
	Second quarter 2001	Third quarter 2001	Fourth quarter 2001	First quarter 2002	Second quarter 2002
% change	0.1	-0.1	0.7	1.5	1.1
Annualized % change	0.3	-0.5	2.9	6.2	4.3
Year-over-year % change	2.0	0.6	0.8	2.2	3.2

1 *The change is the growth rate from one period to the next. The annualized change is the growth rate compounded annually. The year-over-year change is the growth rate of a given quarter compared with the same quarter in a previous year.*

Domestic demand was boosted in the second quarter by continued strength in consumer spending and a pick-up in business investment in machinery and equipment which more than offset a dip in housing investment. Manufacturers, wholesalers and retailers replenished stockpiles of inventory after three quarters of drawing them down. Corporate profits continued to recover from their slide in 2001, but remained below their first quarter 2001 peak. Healthy gains in employment pushed up labour income during the quarter. Exports slowed down, as the US economy showed signs of faltering, while imports were up strongly to satisfy domestic demand and the rebuilding of inventories.

GDP growth continued at healthy pace

Quarterly % change

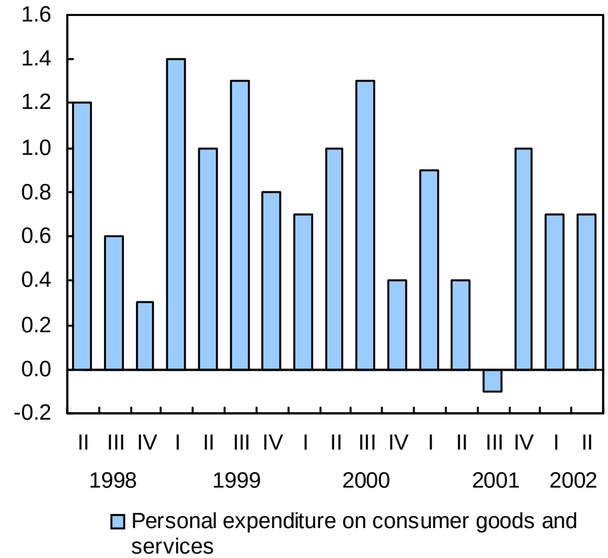


Consumers' support continued

Consumers continued to provide strong support to the economy with personal expenditure growing 0.7% in the second quarter. Spending on goods was flat, while that on services increased 1.2% after averaging 0.2% in the previous four quarters.

Consumer spending remained strong

Quarterly % change, chained $ 1997



Outlays for recreational services increased 4.7% due in part to Canadian hockey teams' success in the NHL playoffs. Net spending on games of chance advanced 7.0% as large jackpots boosted lottery ticket sales. Spending on restaurants and accommodation services was up 1.1% after three quarterly declines.

Spending on furniture and household appliances was up, helped by the strong housing market. However, consumers curtailed spending on motor vehicles and tobacco. Purchases of new and used motor vehicles fell 1.1%, but remained at near record levels. Spending on tobacco products slid 2.0%, as federal and provincial governments hiked tobacco taxes. A colder than normal spring brought increased use of electricity, natural gas and other fuels.

Personal income increased 0.9%, buoyed by the third consecutive quarter of healthy gains in labour income ranging between 1.0% and 1.6%. Transfers to government were down 1.2% and personal disposable income increased 1.5%. The saving rate remained at 5.3% after edging up in the previous three quarters. The growth in disposable income coupled with the reduced cost of carrying debt over the past year has likely helped to fuel demand and raise the saving rate. Personal sector borrowing, while still strong, eased in the quarter reflecting both flat spending on consumer goods and a less robust housing market. The household debt-to-income ratio stood at 95.8%, unchanged from the previous quarter.

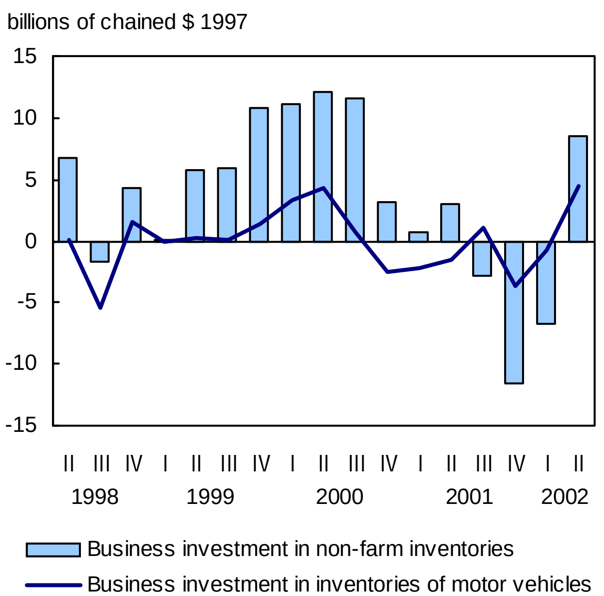
Housing market paused

Investment in residential construction edged down 0.4% in the second quarter but remained at historically high levels. New housing construction gained 2.9%, less than one third of the pace of the first quarter. Transfer costs, which include real estate commissions, dropped 10.9% as home resale activity fell for the first time since the fourth quarter of 2000.

Inventories build up

Inventories were re-stocked in the second quarter, following three quarters of run-down. Almost one third of the inventory depletion since the third quarter of 2001 was replaced, as manufacturers, retailers and wholesalers all increased their stockpiles. Over half of the build-up was related to replenishing the reduced supply of new motor vehicles on dealers' lots after two quarters of record sales.

Motor vehicle inventories replenished



Farm inventories fell during the quarter as farmers are facing a severe drought on the Prairies particularly in Alberta and Saskatchewan, where production estimates are well below average.

Corporate profits strengthen

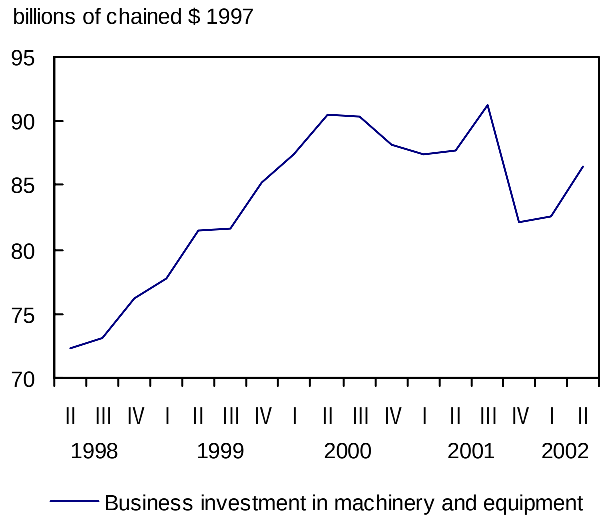
Corporate profits advanced 9.8% in the second quarter, on gains in the manufacturing, wholesaling, retailing and oil and gas industries. Higher energy prices fuelled profits in the fuel extraction industry. Strong exports of motor vehicles and parts drove profits in the automotive manufacturing industry. Continued strength in consumer demand boosted profits in the retailing and wholesaling industries. Manufacturers of computers and electronic products continued to register losses.

This marks the second quarter of recovery in profits, although they remain short of the peak reached in the first quarter of 2001.

Machinery and equipment investment returned

A 4.8% increase in business spending on machinery and equipment in the second quarter boosted plant and equipment spending to its strongest showing since the fourth quarter of 1999. Corporations' demand for funds also advanced in the quarter.

Business investment in machinery and equipment resumed



Increases in machinery and equipment spending were widespread. Investment in other transportation equipment, such as locomotives and aircraft, was up 13.3%. After five quarterly declines, investment in industrial machinery increased 4.8%. Computers and other office equipment advanced 6.7%, while investment in software was up 3.0%.

Business building construction remained a source of weakness, while engineering construction was up 1.0% after three quarterly declines.

Export growth slowed along with US economy

Growth of export volumes slowed to 0.4% in the second quarter from 1.3% in the first, as US demand for imports from Canada weakened. Machinery and equipment, consumer goods and energy products, were the main sources of weakness. Lower sales of aircraft contributed to a 2.9% drop in machinery and equipment exports, the sixth quarterly decline. Automotive products, industrial goods and commercial services were the main sources of strength. New passenger car exports were up 9.9% in the quarter.

Imports up to meet domestic demand and inventory build-up

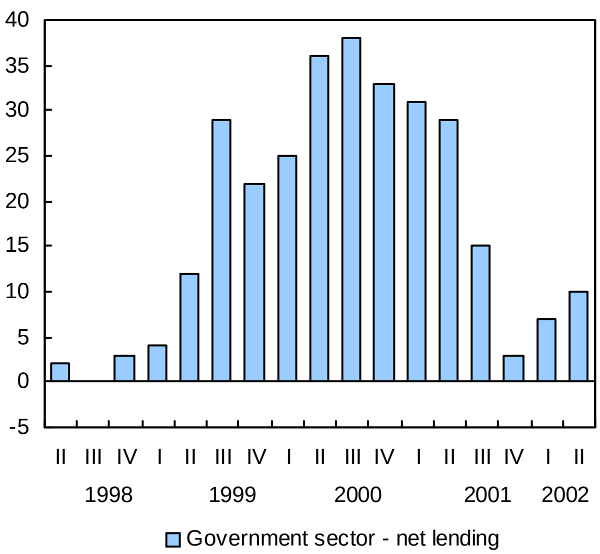
Imports of goods and services jumped 4.0% in the second quarter, after gaining 1.1% in the first, with machinery and equipment and automotive products leading the way. Imports of automotive products were up 6.0%, as Canadian auto manufacturers ramped up production and car dealers replenished new motor vehicle inventories. In tandem with the pick-up in business spending, machinery and equipment imports grew 5.5%, the first increase in seven quarters. Imports of other consumer goods were also up strongly in the quarter to a record level.

Government interest on the public debt and personal income tax collections fall

The surplus (national accounts basis) for all levels of government combined rose to $10.2 billion in the second quarter from $6.6 billion in the first. Total government interest expenses fell $2.3 billion in the second quarter, following a similar drop in the first, in reaction to declining interest rates over the last year and steady debt retirement during the recent period of government surpluses. At the same time federally collected personal income taxes were weaker as declines in stock market capital gains and the economic slowdown in 2001 reduced payments-on-filing and increased refunds.

Government continues to generate surpluses

$ billions, seasonally adjusted at annual rates



The surplus has averaged less than $10 billion over the past four quarters, down from over $30 billion in the previous four quarters.

Prices pick up

Inflation (as measured by the chain price index for GDP) rose to 1.7%, almost twice the pace of the previous quarter. Excluding the effect of higher energy prices, this index was up 1.0%. On a year over year basis, prices increased only 0.1% owing to a bout with deflation during the third and fourth quarters of 2001.

Export prices increased 1.7% reflecting higher energy prices. The 2.5% appreciation of the Canadian dollar against the U.S. dollar over the quarter contributed to a 1.0% drop in the price of imports.

Gross domestic product, income-based

	1998	1999	2000	2001	Fourth quarter 2001	First quarter 2002	Second quarter 2002	First quarter 2002 to second quarter 2002
					Seasonally adjusted at annual rates			
	$ millions							% change at quarterly rates
Wages, salaries and supplementary labour income[1]	475,335	502,726	545,110	568,864	573,968	583,356	590,528	1.2
Corporation profits before taxes	86,132	108,745	129,821	118,227	101,280	113,152	124,252	9.8
Government business enterprise profits before taxes	7,080	8,544	11,832	10,127	9,376	9,740	10,688	9.7
Interest and miscellaneous investment income	47,134	48,012	53,933	53,238	47,908	47,912	49,924	4.2
Accrued net income of farm operators from farm production	1,724	1,935	1,758	2,972	2,960	2,704	2,624	-3.0
Net income of non-farm unincorporated business, including rent	57,936	61,351	63,962	66,551	67,892	70,144	72,120	2.8
Inventory valuation adjustment[2]	-753	-2,669	-3,431	21	748	-4,152	204	4,356
Taxes less subsidies, on factors of production	48,899	50,641	51,716	52,577	52,652	52,804	52,828	0.0
Net domestic product at basic prices	723,487	779,285	854,701	872,577	856,784	875,660	903,168	3.1
Taxes less subsidies, on products	68,439	72,947	76,029	75,370	76,988	81,152	82,972	2.2
Capital consumption allowances	122,659	128,625	135,781	144,315	146,796	148,888	150,804	1.3
Statistical discrepancy[2]	388	-333	-1,516	-16	972	1,512	1,268	-244
Gross domestic product at market prices	**914,973**	**980,524**	**1,064,995**	**1,092,246**	**1,081,540**	**1,107,212**	**1,138,212**	**2.8**

1 *Includes military pay and allowances.*
2 *The change column reflects actual change in millions of dollars for these items.*

Gross domestic product, expenditure-based

	1998	1999	2000	2001	Fourth quarter 2001	First quarter 2002	Second quarter 2002	First quarter 2002 to second quarter 2002
					Seasonally adjusted at annual rates			
	$ millions at current prices							% change at quarterly rates
Personal expenditure on consumer goods and services	531,169	560,954	594,089	620,777	626,940	635,612	645,092	1.5
Durable goods	71,325	77,660	81,679	84,805	88,004	89,932	90,160	0.3
Semi-durable goods	47,262	49,549	52,078	54,442	55,424	56,464	57,032	1.0
Non-durable goods	126,253	132,929	142,662	149,449	148,416	151,392	154,840	2.3
Services	286,329	300,816	317,670	332,081	335,096	337,824	343,060	1.5
Government current expenditure on goods and services	179,317	185,317	196,004	204,492	208,636	209,416	211,752	1.1
Government gross fixed capital formation	20,046	22,587	23,788	26,561	28,012	28,716	29,660	3.3
Government inventories[1]	-27	-3	24	13	-24	8	-20	-28
Business gross fixed capital formation	161,790	172,710	186,149	189,926	187,352	194,308	197,916	1.9
Residential structures	42,497	45,917	48,566	52,154	55,376	60,376	60,776	0.7
Non-residential structures	45,177	46,816	50,890	52,268	51,792	51,244	51,568	0.6
Machinery and equipment	74,116	79,977	86,693	85,504	80,184	82,688	85,572	3.5
Business investment in inventories[1]	4,733	4,987	8,028	-6,040	-14,348	-9,400	7,080	16,480
Non-farm[1]	5,409	4,932	8,189	-4,740	-12,972	-8,832	7,756	16,588
Farm[1]	-676	55	-161	-1,300	-1,376	-568	-676	-108
Exports of goods and services	379,203	421,796	484,331	473,000	444,168	456,228	466,132	2.2
Goods	327,160	367,170	425,591	414,640	386,864	398,048	407,288	2.3
Services	52,043	54,626	58,740	58,360	57,304	58,180	58,844	1.1
Deduct: Imports of goods and services	360,871	388,157	428,934	416,498	398,220	406,164	418,132	2.9
Goods	303,395	326,962	363,428	350,622	335,040	342,376	352,460	2.9
Services	57,476	61,195	65,506	65,876	63,180	63,788	65,672	3.0
Statistical discrepancy[1]	-387	333	1,516	15	-976	-1,512	-1,268	244
Gross domestic product at market prices	**914,973**	**980,524**	**1,064,995**	**1,092,246**	**1,081,540**	**1,107,212**	**1,138,212**	**2.8**
Final domestic demand	892,322	941,568	1,000,030	1,041,756	1,050,940	1,068,052	1,084,420	1.5
	$ millions chained 1997							
Personal expenditure on consumer goods and services	524,807	545,162	565,487	579,999	584,710	588,822	593,119	0.7
Durable goods	71,404	77,542	82,234	85,939	89,262	91,251	91,091	-0.2
Semi-durable goods	46,855	48,267	50,440	52,360	53,253	54,287	54,369	0.2
Non-durable goods	125,692	128,895	131,791	133,186	133,341	134,207	134,739	0.4
Services	280,853	290,520	301,173	308,888	309,512	309,896	313,672	1.2
Government current expenditure on goods and services	177,277	180,637	184,787	190,967	192,412	193,001	193,598	0.3
Government gross fixed capital formation	19,968	22,507	23,173	25,846	27,288	27,614	28,496	3.2
Government inventories[1]	-26	-3	23	13	-24	8	-20	-28
Business gross fixed capital formation	159,138	170,611	182,423	183,228	180,030	183,809	187,277	1.9
Residential structures	41,980	44,265	45,796	47,967	50,288	54,276	53,995	-0.5
Non-residential structures	44,011	44,904	47,762	48,126	47,230	46,470	46,514	0.1
Machinery and equipment	73,154	81,512	89,094	87,145	82,118	82,509	86,456	4.8
Business investment in inventories[1]	5,964	6,543	9,940	-3,516	-12,657	-7,214	7,503	14,717
Non-farm[1]	5,714	5,612	9,451	-2,728	-11,658	-6,776	8,594	15,370
Farm[1]	220	890	384	-902	-1,189	-617	-1,064	-447
Exports of goods and services	380,407	418,333	451,677	434,523	428,263	433,932	435,861	0.4
Goods	329,225	365,878	397,219	381,020	375,090	380,626	382,012	0.4
Services	51,155	52,544	54,619	53,688	53,347	53,504	54,040	1.0
Deduct: Imports of goods and services	348,095	375,093	405,785	382,378	365,639	369,491	384,147	4.0
Goods	294,663	319,584	348,160	327,470	313,676	318,296	331,173	4.0
Services	53,487	55,664	57,961	55,199	52,291	51,688	53,518	3.5
Statistical discrepancy[1]	-386	328	1,443	11	-932	-1,431	-1,180	251
Gross domestic product at market prices	**918,910**	**968,451**	**1,012,335**	**1,027,523**	**1,032,685**	**1,048,249**	**1,059,412**	**1.1**
Final domestic demand	881,182	918,857	955,705	979,919	984,397	993,135	1,002,304	0.9

[1] *The change column reflects actual change in millions of dollars for these items.*

Gross domestic product, price indexes

	1998	1999	2000	2001	Fourth quarter 2001	First quarter 2002	Second quarter 2002	First quarter 2002 to second quarter 2002
					Using seasonally adjusted data			
	Implicit chain price indexes (1997=100)							% change at quarterly rates
Personal expenditure on consumer goods and services	101.2	102.9	105.1	107.0	107.2	107.9	108.8	0.8
Government current expenditure on goods and services	101.1	102.6	106.1	107.1	108.4	108.5	109.4	0.8
Government gross fixed capital formation	100.4	100.4	102.7	102.8	102.7	104.0	104.1	0.1
Business gross fixed capital formation	101.7	101.3	102.1	103.7	104.1	105.7	105.7	0.0
Exports of goods and services	99.7	100.8	107.2	108.8	103.7	105.1	106.9	1.7
Imports of goods and services	103.7	103.5	105.7	108.9	108.9	109.9	108.8	-1.0
Gross domestic product	**99.6**	**101.3**	**105.2**	**106.3**	**104.7**	**105.6**	**107.4**	**1.7**
Final domestic demand	101.3	102.5	104.7	106.3	106.8	107.5	108.2	0.7

Financial market summary table

	1998	1999	2000	2001	Fourth quarter 2001	First quarter 2002	Second quarter 2002	First quarter 2002 to second quarter 2002
					Seasonally adjusted at annual rates			
	$ millions							Actual change
Persons and unincorporated business	**38,324**	**39,178**	**39,376**	**40,989**	**41,480**	**42,728**	**41,612**	**-1,116**
Funds raised								
Consumer credit	10,675	11,904	13,664	15,125	16,456	16,084	15,724	-360
Bank loans	3,520	2,039	1,680	180	-1,248	-48	72	120
Other loans	6,909	6,230	4,634	5,128	4,712	3,680	3,452	-228
Mortgages	17,220	19,005	19,398	20,556	21,560	23,012	22,364	-648
Non-financial private corporations	**70,858**	**52,970**	**78,642**	**60,117**	**65,844**	**39,212**	**61,628**	**22,416**
Funds raised								
Bank loans	8,522	4,232	6,011	-10,508	-26,316	-15,380	3,808	19,188
Other loans	5,560	6,617	5,820	-3,607	-4,040	-8,628	-192	8,436
Other short-term paper	6,066	6,738	7,359	-5,094	524	5,016	2,752	-2,264
Mortgages	3,642	4,302	2,267	4,234	2,796	5,216	6,596	1,380
Bonds	13,816	10,456	2,926	42,844	67,032	21,632	9,588	-12,044
Shares	33,252	20,625	54,259	32,248	25,848	31,356	39,076	7,720
Non-financial government enterprises	**-1,076**	**-4,974**	**-3,198**	**-1,716**	**-1,616**	**-2,116**	**-12,596**	**-10,480**
Funds raised								
Bank loans	123	-46	-133	112	-212	624	-284	-908
Other loans	-165	184	413	517	116	312	-876	-1,188
Other short-term paper	-242	-1,908	298	-379	-1,044	3,624	-3,468	-7,092
Mortgages	-17	-21	-3	37	28	-24	0	24
Bonds	-785	-3,181	-3,773	-2,003	-500	-6,660	-7,972	-1,312
Shares	10	-2	0	0	-4	8	4	-4
Federal government	**-9,903**	**3,494**	**-18,295**	**-2,838**	**-2,824**	**8,840**	**4,920**	**-3,920**
Funds raised								
Bank loans	120	106	106	106	120	104	100	-4
Other loans	0	0	0	0	0	0	0	0
Canada short-term paper	-19,370	357	-13,016	14,577	14,584	-4,296	22,652	26,948
Canada Saving Bonds	-2,957	-783	-1,909	-1,819	-7,556	-636	-1,332	-696
Marketable bonds	12,304	3,814	-3,476	-15,702	-9,972	13,668	-16,500	-30,168
Other levels of government	**8,241**	**12,637**	**5,954**	**8,944**	**2,844**	**7,716**	**15,796**	**8,080**
Funds raised								
Bank loans	155	56	1,000	-732	-492	568	352	-216
Other loans	394	162	-768	307	596	132	388	256
Other short-term paper	-1,368	4,390	-1,446	1,124	1,852	60	7,976	7,916
Mortgages	263	40	-62	-15	-12	-20	28	48
Provincial bonds	11,408	8,100	7,347	8,387	1,004	7,508	6,720	-788
Municipal bonds	-2,915	-126	-145	-145	-88	-548	292	840
Other bonds	304	15	28	18	-16	16	40	24
Total funds raised by domestic non-financial sectors	**106,444**	**103,305**	**102,479**	**105,496**	**105,728**	**96,380**	**111,360**	**14,980**
Consumer credit	10,675	11,904	13,664	15,125	16,456	16,084	15,724	-360
Bank loans	12,440	6,387	8,664	-10,842	-28,148	-14,132	4,048	18,180
Other loans	12,698	13,193	10,099	2,345	1,384	-4,504	2,772	7,276
Canada short-term paper	-19,370	357	-13,016	14,577	14,584	-4,296	22,652	26,948
Other short-term paper	4,456	9,220	6,211	-4,349	1,332	8,700	7,260	-1,440
Mortgages	21,108	23,326	21,600	24,812	24,372	28,184	28,988	804
Bonds	31,175	18,295	998	31,580	49,904	34,980	-9,164	-44,144
Shares	33,262	20,623	54,259	32,248	25,844	31,364	39,080	7,716

Canada's Balance of International Payments

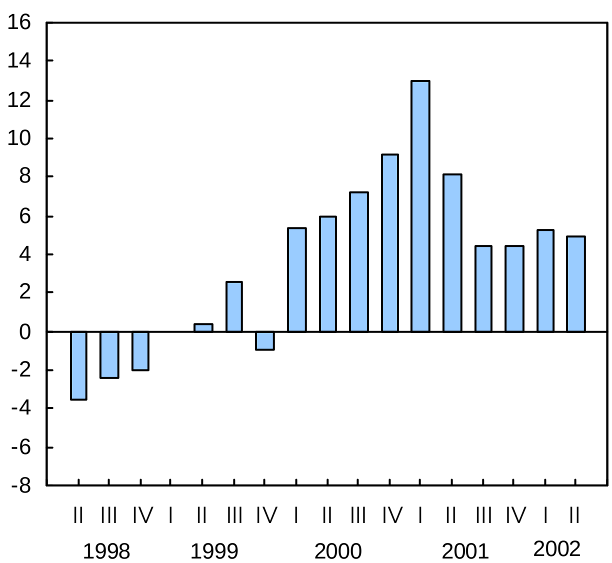
Second quarter 2002

In the second quarter of 2002, the seasonally adjusted current account surplus was $4.9 billion. While the surplus fell $0.4 billion, it remained above $4.0 billion for the tenth consecutive quarter, a level never reached before 2000. A higher deficit for travel and lower surplus on goods, and current transfers were partially offset by a lower deficit for investment income.

In the capital and financial account (not seasonally adjusted), growth in both foreign assets and liabilities slowed dramatically but by a similar amount. Canadian direct investment abroad was higher in the second quarter with half of it coming from renewed activity by Canadian firms in acquiring existing foreign firms. Canadian portfolio investors continued to buy foreign securities but at a reduced pace, similar to that of the second half of 2001. Foreign direct investment flowed moderately into the Canadian economy but down markedly from its robust level of the first quarter. However, foreign portfolio investment in Canadian securities picked up as investors bought Canadian shares, much of it coming by way of new offerings by Canadian companies in the US market.

Current account balance

$ billions Seasonally adjusted



Current Account

Goods imports outpace exports

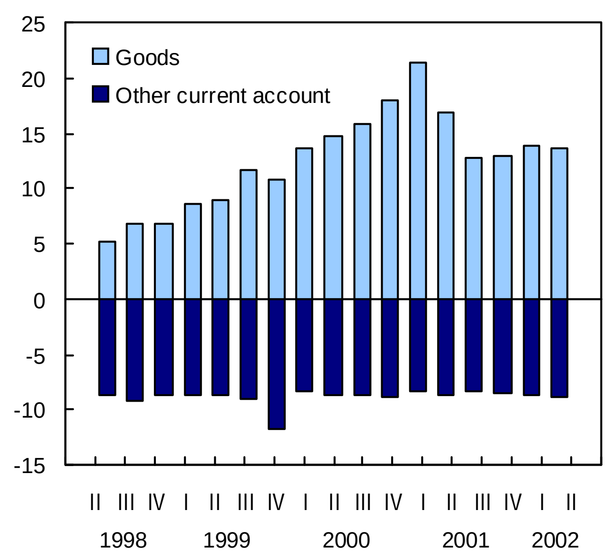
The surplus for goods fell slightly, $0.2 billion, to $13.7 billion as imports rose faster than exports. The largest gain in exports was in energy products where the $2.2 billion increase reflected higher prices of crude petroleum and natural gas. The rise in exports of automotive products was due entirely to cars. The increase in industrial goods exports was distributed among several products. Machinery and equipment exports fell $0.8 billion, concentrated in aircraft, engines and parts. Exports of forestry products, agricultural and fishing products, and other consumer goods, all slowed during the second quarter. Exports of lumber dropped $0.3 billion during the second quarter. The impact of U.S. duties on lumber exports was particularly large in June.

All the main categories of imported goods, except for agricultural and fishing products, increased during the second quarter. Imports of automotive products rose $0.9 billion, two-thirds of the increase was in cars and the residual in parts. Machinery and equipment products and energy products also saw significant increases. The rise in energy imports, as with exports, was related to higher prices.

On a geographical basis, the goods surplus with the United States rose for a second consecutive quarter mainly because of the large exports values for energy products. The deficit with European Union countries widened significantly as exports declined somewhat and imports grew noticeably in the second quarter.

Goods and other current account balances

$ billions Seasonally adjusted



Higher foreign profits raise investment income

The deficit in investment income fell $0.2 billion in the second quarter primarily from higher profits on Canadian direct investment abroad that followed three quarters of declines. The communications, finance and insurance, and wood and paper sectors registered the largest increases in profits. The profits on foreign direct investment in Canada rose also but at a slower pace.

Travel deficit widens

A lower number of foreign visitors to Canada combined with more Canadians visiting overseas countries led to an increase of $0.2 billion in the travel deficit. The $0.4 billion deficit is the highest in the last five quarters but remained in line with previous years' results. Spending by overseas visitors fell $0.1 billion as their number of visits dropped by more than 7%. On the other hand, Canadian spending overseas grew by $0.1 billion, as more Canadians visited countries other than United States during the second quarter. Travel in both directions with United States remained relatively stable for the period.

Commercial services deficit stable

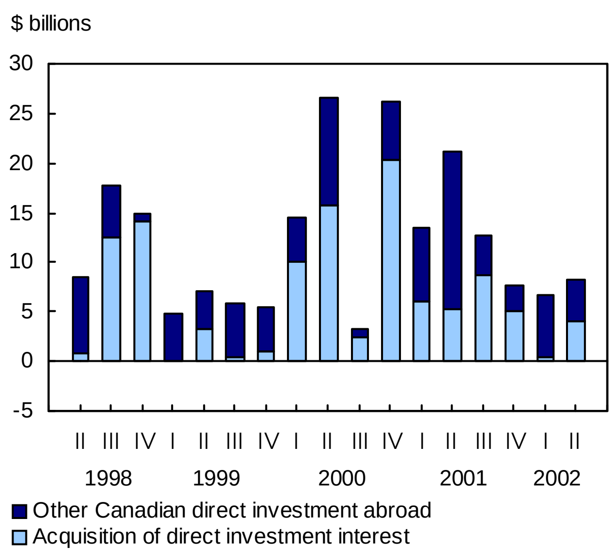
Both exports and imports of commercial services increased by $0.3 billion during the second quarter leaving the deficit at $0.9 billion. All the increase in imports was due to higher payments of commissions for the issuance abroad of new Canadian securities. Higher commissions paid by foreigners on transactions in securities accounted for one-third of the increase on the export side. The rest of the increase was widely distributed among the other categories of services.

Capital and Financial Account

Canadian direct investment abroad higher due to acquisitions of foreign firms

Canadian direct investment abroad was higher at $8.3 billion in the second quarter with renewed activity by Canadian firms in acquiring existing foreign firms. However, in the last three-quarters, Canada's direct investors have been about half as active as they were on average in the seven preceding quarters. In the second quarter 2002, direct investment went largely to Europe and the United States. Just under one-half was allocated to purchasing existing foreign firms, almost exclusively for cash as acquisitions involving share exchanges were less prevalent. The investment was industrially spread, led by investment in the energy and metallic minerals industry, machinery and transportation and the financial industry including insurance.

Canadian direct investment abroad[1]



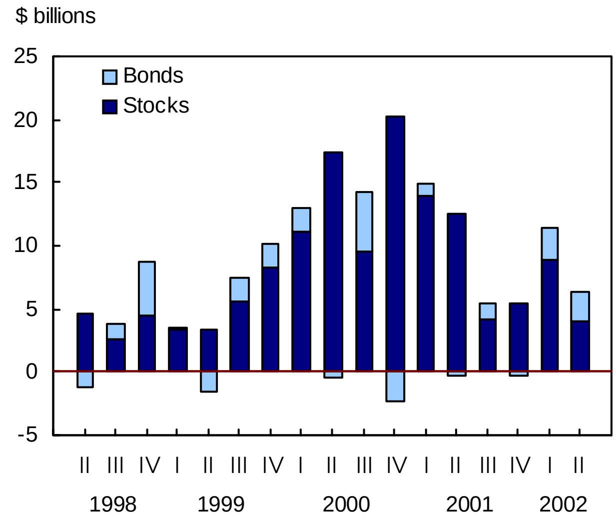
[1] *Reverse of Balance of Payments signs.*

Moderate Canadian demand for foreign securities

Canadian portfolio investors, mainly pension funds, increased their holdings in foreign securities by $6.3 billion in the second quarter, down almost by half from the first quarter. Canadians invested $2.3 billion in foreign bonds, entirely US government and corporate issues.

The investment in foreign equities of $4.0 billion was nearly $5 billion less than that of the first quarter. Much of that first quarter investment had come in the form of new treasury shares issued to Canadian shareholders of Canadian firms that were acquired by foreign companies. There was only a small $0.4 billion investment of this nature in the second quarter. The investment in the second quarter was roughly split between US and overseas equities.

Portfolio investment abroad[1]



[1] *Reverse of Balance of Payments signs.*

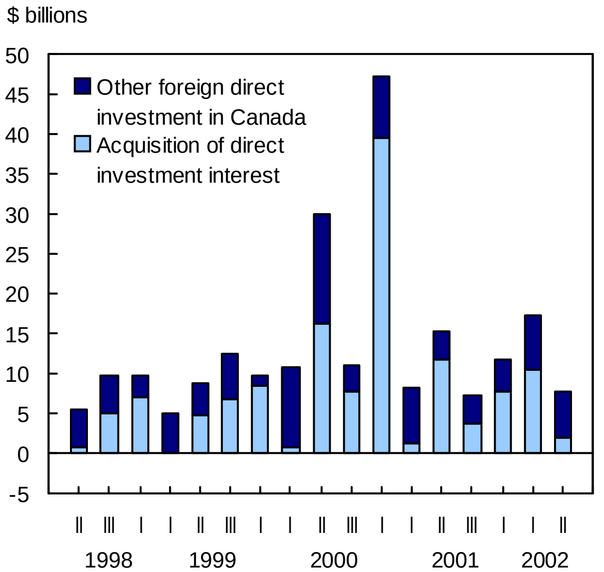
Other investment assets

Other investment assets decreased by $2.8 billion during the quarter. Loan assets were reduced mainly due to short-term loans (loans under repurchase agreements) while bank loans and government loans partially offset the decrease. Deposit assets were reduced by a similar amount largely due to Canadian banks' transactions in foreign currencies with their foreign affiliates. For a third consecutive quarter, reserve assets increased ($1.5 billion). Over the quarter, the Canadian dollar gained more than three cents against the U.S. dollar to close at just under US66 cents but depreciated markedly against all other major foreign currencies.

Moderate foreign direct investment in the quarter

Moderate foreign direct investment of $7.9 billion flowed into the Canadian economy. It was down $9.4 billion from the first quarter, as acquisitions of Canadian firms were at the lowest level in five quarters after a strong first quarter. Direct investment in the second quarter came mostly from the United States and Europe and was industrially diffuse.

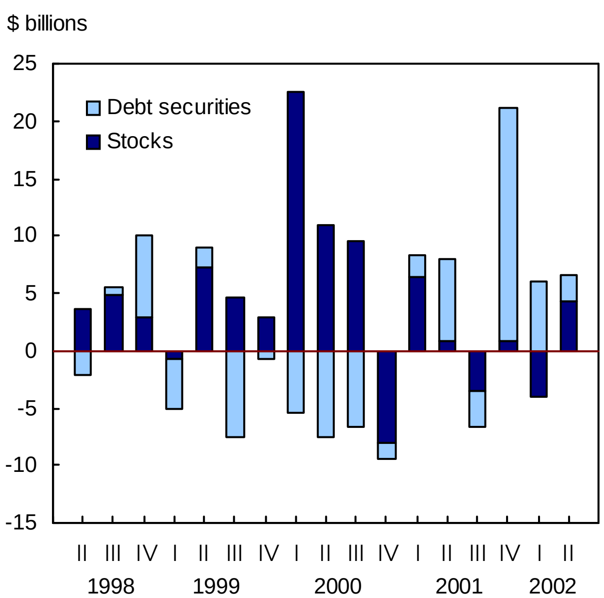
Foreign direct investment in Canada



Stronger foreign portfolio demand for Canadian securities

Foreign demand for Canadian securities rebounded strongly to $6.5 billion from a first quarter low of $2.1 billion. Most of the increase came as foreign investors bought $4.2 billion of Canadian equities after divesting a similar amount in the first quarter. Much of the investment in shares came as a result of successful financing efforts by Canadian companies. They floated a near record amount of new shares in US markets over the quarter. After rising 2% in the first quarter, Canadian stock prices lost ground, as did their American counterparts, falling 9% over the quarter.

Portfolio investment in Canada



Foreign investors also bought $2.3 billion of Canadian debt securities, but this was down dramatically from the two previous quarters. The $1.9 billion investment in Canadian bonds was less than half of that of the first quarter. While debt financing by corporations continued apace, redemption of Canadian government bonds including provincial enterprises was up strongly. As for Canadian money market paper, the small investment in the second quarter went entirely to federal and provincial government paper partly offset by selling of federal enterprises and corporate paper. While short-term interest rates have risen in Canada in 2002, they have been steady in the United States. This has increased the differential further in favour of investing in Canada.

Other investment liabilities

Other liabilities went down by $2.8 billion, identical to the decrease in other assets. Short-term loans (loans under repurchase agreements) and other liabilities were partly repaid; some offset occurred as deposit liabilities increased, though considerably less than the three previous quarters.

Balance of payments

	Second quarter 2001	Third quarter 2001	Fourth quarter 2001	First quarter 2002	Second quarter 2002	2000	2001
	Not seasonally adjusted						
	$ millions						
Current account							
Receipts							
Goods and Services	123,439	113,503	110,234	111,417	119,530	482,731	471,250
Goods	109,003	96,435	97,981	98,878	105,186	425,587	414,638
Services	14,436	17,067	12,252	12,539	14,344	57,144	56,612
Investment income	9,706	8,257	6,963	6,795	7,587	39,815	34,990
Direct investment	4,703	3,723	2,706	2,803	3,605	18,403	15,791
Portfolio investment	1,930	1,954	1,946	1,956	2,016	6,949	7,683
Other investment	3,074	2,580	2,311	2,036	1,966	14,463	11,515
Current Transfers	1,530	1,628	1,889	1,979	1,390	6,097	7,024
Current Account receipts	134,675	123,388	119,085	120,191	128,507	528,643	513,264
Payments							
Goods and services	109,497	99,987	99,591	100,042	108,416	427,997	415,617
Goods	93,248	83,403	84,721	83,922	92,533	363,432	350,623
Services	16,249	16,584	14,869	16,120	15,884	64,565	64,994
Investment income	16,393	14,918	14,116	14,713	14,767	68,241	62,524
Direct investment	6,077	4,860	4,054	5,103	5,587	23,470	20,920
Portfolio investment	7,371	7,431	7,563	7,245	7,280	29,240	29,652
Other investment	2,945	2,627	2,500	2,365	1,900	15,531	11,951
Current transfers	1,005	1,167	1,229	1,835	980	4,624	5,074
Current Account payments	126,895	116,072	114,936	116,590	124,164	500,862	483,215
Balances							
Goods and Services	13,942	13,516	10,643	11,375	11,114	54,735	55,633
Goods	15,755	13,032	13,260	14,956	12,654	62,155	64,016
Services	-1,814	483	-2,617	-3,581	-1,540	-7,421	-8,382
Investment income	-6,687	-6,661	-7,153	-7,918	-7,180	-28,427	-27,534
Direct investment	-1,374	-1,137	-1,348	-2,300	-1,983	-5,067	-5,129
Portfolio investment	-5,442	-5,478	-5,617	-5,290	-5,264	-22,292	-21,969
Other investments	129	-47	-189	-328	66	-1,068	-436
Current transfers	525	461	660	144	410	1,473	1,949
Current Account balance	7,780	7,315	4,150	3,601	4,343	27,781	30,049
Capital and financial account[1, 2]							
Capital Account	**1,577**	**1,648**	**1,017**	**1,511**	**1,674**	**5,270**	**5,678**
Financial account	**-13,885**	**-517**	**-6,732**	**1,573**	**-261**	**-26,788**	**-26,596**
Canadian assets, net flows							
Canadian direct investment abroad	-21,182	-12,675	-7,654	-6,578	-8,273	-70,545	-54,924
Portfolio investment	-12,263	-5,474	-5,043	-11,382	-6,337	-62,274	-37,718
Foreign bonds	189	-1,345	313	-2,434	-2,295	-3,958	-1,882
Foreign stocks	-12,452	-4,129	-5,356	-8,947	-4,042	-58,316	-35,836
Other investment	2,747	2,665	-24,661	-6,577	2,828	-9,610	-17,743
Loans	-3,005	-1,068	-6,672	-2,280	2,128	-5,125	-7,873
Deposits	7,289	4,433	-13,950	-1,797	1,867	3,977	-1,365
Official international reserves	135	130	-1,128	-696	-1,450	-5,480	-3,353
Other assets	-1,672	-829	-2,912	-1,804	283	-2,981	-5,152
Total Canadian assets, net flows	-30,698	-15,484	-37,359	-24,537	-11,782	-142,429	-110,385
Canadian liabilities, net flows							
Foreign direct investment in Canada	15,201	7,265	11,772	17,212	7,853	98,940	42,527
Portfolio investment	7,882	-6,576	21,209	2,076	6,492	14,025	30,868
Canadian bonds	7,352	921	18,493	4,823	1,923	-22,655	33,609
Canadian stocks	852	-3,540	890	-4,052	4,225	34,973	4,608
Canadian money market	-322	-3,957	1,826	1,305	344	1,707	-7,349
Other investment	-6,269	14,277	-2,354	6,822	-2,825	2,677	10,394
Loans	1,566	4,081	-7,884	1,125	-2,743	2,781	-7,730
Deposits	-6,780	10,779	7,298	7,073	1,454	-1,069	23,469
Other liabilities	-1,055	-583	-1,768	-1,376	-1,536	965	-5,345
Total Canadian liabilities, net flows	16,813	14,966	30,627	26,110	11,521	115,641	83,789
Total capital and financial account, net flows	**-12,308**	**1,130**	**-5,715**	**3,084**	**1,413**	**-21,518**	**-20,918**
Statistical discrepancy	4,529	-8,446	1,565	-6,684	-5,756	-6,264	-9,130

1 *A minus sign (-) denotes an outflow of capital resulting from an increase in claims on non-residents or from decrease in liabilities to non-residents.*
2 *Transactions are recorded on a net basis.*

Current account

	Second quarter 2001	Third quarter 2001	Fourth quarter 2001	First quarter 2002	Second quarter 2002	2000	2001
	Seasonally adjusted						
	$ millions						
Receipts							
Goods and services							
Goods	106,547	100,417	96,714	99,512	101,824	425,587	414,638
Services	14,296	13,931	13,878	14,133	14,334	57,144	56,612
Travel	4,214	4,083	4,034	4,128	3,975	16,098	16,682
Transportation	2,647	2,587	2,520	2,604	2,670	11,170	10,523
Commercial services	7,072	6,898	6,962	7,044	7,331	28,471	27,963
Government services	364	364	363	357	358	1,405	1,444
Total	120,844	114,349	110,592	113,645	116,158	482,732	471,250
Investment income							
Direct investment	4,578	3,828	2,903	2,643	3,432	18,403	15,791
Interest	77	77	89	82	76	573	344
Profits	4,501	3,750	2,813	2,561	3,357	17,831	15,447
Portfolio investment	1,924	1,958	1,958	1,957	2,003	6,949	7,683
Interest	516	510	481	467	500	2,192	2,014
Dividends	1,408	1,447	1,477	1,490	1,503	4,757	5,670
Other investment	3,083	2,556	2,282	2,052	1,972	14,463	11,515
Total	9,585	8,342	7,143	6,652	7,407	39,815	34,990
Current Transfer							
Private	584	656	616	701	619	2,350	2,494
Official	1,072	1,152	1,241	1,026	892	3,747	4,530
Total	1,655	1,808	1,857	1,728	1,511	6,097	7,024
Total Receipts	**132,084**	**124,498**	**119,592**	**122,025**	**125,076**	**528,643**	**513,264**
Payments							
Goods and Services							
Goods	89,737	87,630	83,759	85,594	88,116	363,432	350,623
Services	16,511	16,030	15,574	15,730	16,213	64,565	64,994
Travel	4,597	4,466	4,124	4,316	4,393	18,313	17,998
Transportation	3,569	3,568	3,322	3,298	3,389	14,004	14,209
Commercial services	8,154	7,798	7,929	7,916	8,233	31,474	32,002
Government services	192	198	199	199	198	774	785
Total	106,248	103,660	99,333	101,324	104,329	427,996	415,617
Investment income							
Direct investment	5,954	4,925	4,457	4,761	5,339	23,470	20,920
Interest	335	333	335	334	336	1,578	1,341
Profits	5,619	4,592	4,122	4,427	5,003	21,893	19,580
Portfolio investment	7,363	7,438	7,588	7,237	7,280	29,240	29,652
Interest	6,759	6,820	6,954	6,800	6,863	27,474	27,228
Dividends	603	618	635	437	417	1,766	2,425
Other investment	3,065	2,808	2,481	2,105	2,012	15,531	11,951
Total	16,382	15,171	14,526	14,103	14,631	68,241	62,524
Current Transfers							
Private	672	683	693	664	710	2,413	2,663
Official	602	593	613	644	503	2,211	2,411
Total	1,275	1,276	1,306	1,308	1,214	4,624	5,074
Total payments	**123,904**	**120,106**	**115,165**	**116,734**	**120,173**	**500,862**	**483,215**
Balances							
Goods and services							
Goods	16,811	12,787	12,955	13,918	13,708	62,156	64,016
Services	-2,215	-2,098	-1,696	-1,597	-1,879	-7,421	-8,382
Travel	-383	-383	-90	-189	-418	-2,214	-1,316
Transportation	-921	-982	-802	-693	-719	-2,834	-3,686
Commercial services	-1,082	-901	-966	-873	-902	-3,003	-4,039
Government services	172	167	163	158	160	630	659
Total	14,596	10,689	11,259	12,321	11,829	54,735	55,633
Investment income							
Direct investment	-1,376	-1,098	-1,555	-2,119	-1,907	-5,067	-5,129
Interest	-258	-256	-246	-252	-260	-1,005	-996
Profits	-1,118	-842	-1,309	-1,866	-1,647	-4,062	-4,133
Portfolio investment	-5,439	-5,480	-5,630	-5,280	-5,276	-22,292	-21,969
Interest	-6,244	-6,309	-6,473	-6,334	-6,363	-25,282	-25,214
Dividends	805	829	843	1,054	1,086	2,991	3,245
Other investment	18	-251	-199	-52	-40	-1,068	-436
Total	-6,797	-6,829	-7,383	-7,451	-7,223	-28,427	-27,534
Current Transfers							
Private	-88	-27	-77	38	-91	-63	-170
Official	469	559	628	382	389	1,536	2,119
Total	381	532	551	420	297	1,473	1,949
Current Account	**8,180**	**4,392**	**4,428**	**5,290**	**4,903**	**27,782**	**30,049**

Gross Domestic Product by Industry

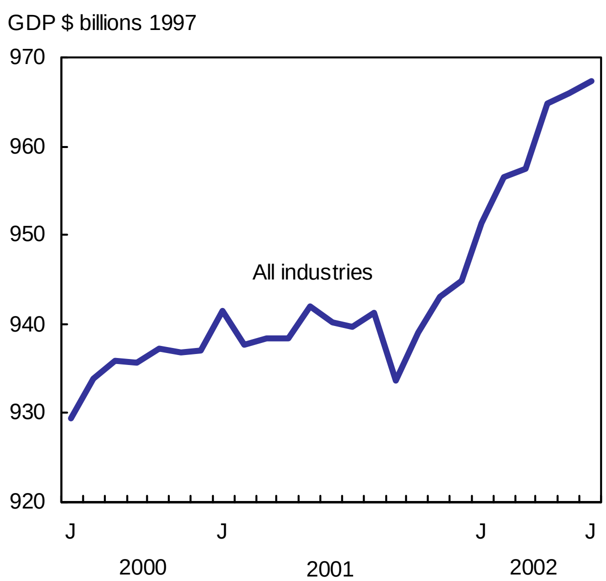
Second quarter 2002

Note to readers

Gross domestic product (GDP) of an industry is the value added by labour and capital in transforming inputs purchased from other industries into outputs. The estimates presented here are seasonally adjusted at annual rates and are valued at 1997 prices.

After a strong start to the quarter, economic growth lost momentum as GDP edged up only 0.1% in June, the same as in May. The advance in June represented the ninth consecutive monthly advance since the downturn in September 2001.

GDP pace of growth slower

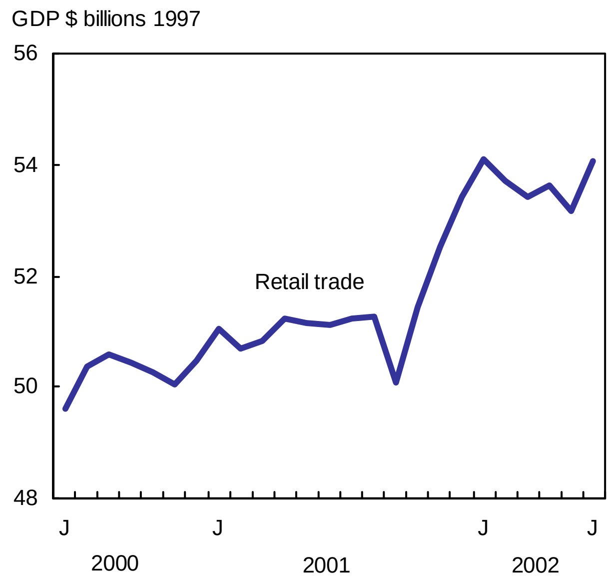


Strong consumer demand for retail goods and continued demand for new housing were responsible for the strength in GDP in June. Industrial production edged down 0.1% as lower output from the mining and utilities sectors offset gains in manufacturing. The mining industry was set back by further reductions in drilling and rigging activity. The recent imposition of tariffs on softwood lumber took its toll on sawmill producers and the rail transportation industry.

Consumers open their wallets

Retailing activity surged ahead 1.7% in June, returning to January's level after declining in three of the last five months. Almost all store types experienced increased consumer traffic as shoppers headed back to retailers after a cool spring kept them out of the stores. Sharply higher sales were reported for women's clothing and shoe retailers. Department stores, general merchandise stores and auto parts stores (which also sell seasonal merchandise) also reported increased sales in June. New motor vehicle dealers were the largest contributor to the strength in retail trade. Sales in this trade group increased 1.1%, after four consecutive monthly declines.

Retailers benefit from rising sales



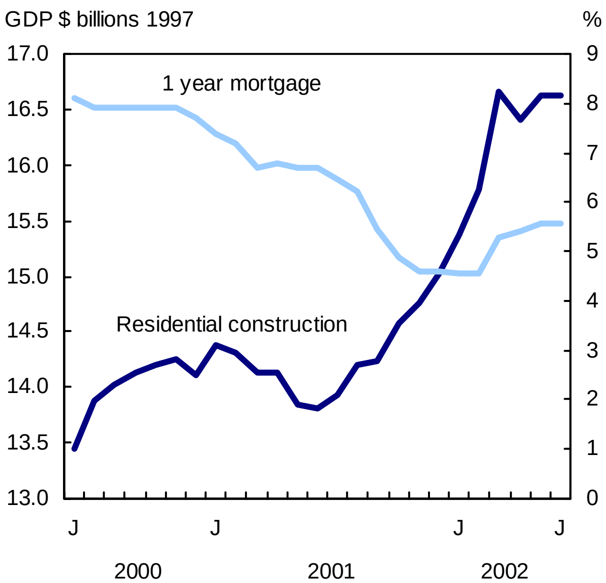
Canadian consumers also spent more money at hotels and restaurants. Both of these industries experienced declines in May and have posted virtually no growth since the start of the year as the number international travellers to Canada slipped for the fourth consecutive month in June. Consumer spending in the arts and entertainment sector plunged 7.6% in June, after surging by 8.4% in May.

Housing boom continues

Residential construction increased a further 0.3% in June; new house construction is now 17.5% higher than year-ago levels. Decade high consumer confidence levels propelled by historically low interest rates and large employment gains, encouraged consumers to purchase new homes in record numbers. Housing starts were in excess of the 200,000 mark for most of the year. This high level of demand for new housing put pressure on prices as the new housing price index increased 4.1% over year-ago levels.

The strength in the housing sector led to further increased output in the construction feeder industries. Makers of cement, paint, gypsum and electric lighting equipment all reported gains in June. Manufacturers, wholesalers and retailers of furniture all reported slightly reduced activity levels after making sizeable gains over the past year. Activity levels in the real estate agent and brokerage industry fell 3.7% as consumers also pulled back on their purchases of existing housing. Output levels in this industry peaked in January and fell in four of the five months since then.

New homes built in record numbers



Transportation equipment manufacturers on a roll

Transportation equipment manufacturers ramped up production for the eighth time in the last nine months in June, raising output levels a further 0.8%. Output levels in this industry have now surpassed the previous peak set in January 2000. The motor vehicle assembly industry was the largest contributor to the strength in this sector as production levels were boosted a further 3.3% to replenish dwindling inventories. High levels of new car sales, since the introduction of generous financing incentives in North America in the fourth quarter of 2001, had greatly reduced the inventories on car dealer lots. Production of heavy-duty trucks was hindered by labour strife in that industry. Meanwhile, the aerospace and parts industry benefited from the resolution of a strike. This was the first full month of production for the aerospace industry since March 2002.

Other industries

The output of the provincial government industry increased a further 0.8% in June, after a surge of 9.8% in May. A strike by Ontario public employees had severely reduced the output of this industry in March and April. Strong consumer demand for increased health and education services had positive consequences for the education and health sectors in recent months.

Quarterly Overview

The second quarter saw widespread industry strength in gross domestic product (GDP). Strong demand for new housing further boosted the construction industry and the construction feeder industries in the manufacturing sector. Automotive manufacturers raised output to replenish dwindled inventories at the retail level. The elimination of softwood lumber duties for four weeks during the quarter accelerated output of the forestry and wood products industries. The gains in manufacturing had positive spin-offs for energy, transportation and wholesaling services. The Information Communication and Technology (ICT) sector expanded output for the second consecutive quarter after contracting throughout all of 2001.

The boom in new housing continued in the second quarter, but at a much reduced pace. Residential construction rose a further 2.0 %, after a sharp increase of 7.1% in the first quarter. For much of 2002, housing starts have been above the 200,000 mark, a level not seen since the late 1980's housing boom. Historically low interest rates, a limited supply of existing housing, and robust consumer confidence tied to strong employment growth have all contributed to this recent housing boom.

Manufacturers, wholesalers and retailers of furniture and appliances all recorded significant gains in the second quarter, as homeowners furnished their new living spaces. The resale housing market is well off its peak in the first quarter; however, levels are still 12.6% higher than the second quarter of 2001. Consumers pulled back on their purchases of non-house-related goods and services, resulting in a 0.2% drop in retailing activity in the second quarter.

Motor vehicle manufacturers ramped up production levels a further 5.4%, although consumer purchases of new cars and trucks flattened out after sharp gains in the previous two quarters. Dwindling supplies of cars and trucks on North American car dealer lots prompted this latest rise in production levels. Motor vehicle parts manufacturers also boosted production levels. Labour strife in the aerospace and parts manufacturing industry led to a 2.6% decrease in output.

The temporary elimination of softwood lumber duties (both countervailing and anti-dumping) from April 22 to May 21 resulted in a sharp increase in output for sawmill producers in the second quarter. However, before the end of the quarter, Canadian sawmills started to gear down production and in some cases, completely shut down mills. Sawmill producers increased output 6.9% in the quarter following a similar increase in the first quarter. The rail and truck transportation industries and lumber wholesalers benefited from these higher production levels.

Monthly gross domestic product by industry, at basic prices in 1997 constant dollars

	January 2002r	February 2002r	March 2002r	April 2002r	May 2002r	June 2002p	May to June 2002	June 2002	June 2001 to June 2002
	Seasonally adjusted								
	Month-to-month % change						$ change[1]	$ level[1]	% change
All Industries	**0.7**	**0.5**	**0.1**	**0.8**	**0.1**	**0.1**	**1,321**	**967,350**	**2.9**
Goods-producing industries	1.3	1.5	0.2	1.4	-0.4	-0.1	-243	303,877	1.6
Agriculture, forestry, fishing and hunting	-1.1	1.7	-0.4	4.5	-1.4	-2.0	-404	20,295	-4.2
Mining and oil and gas extraction	2.2	-0.1	1.5	0.1	-2.3	-0.2	-83	35,976	-1.2
Utilities	0.8	0.9	2.0	0.8	-0.5	-1.7	-487	27,877	0.1
Construction	0.1	0.5	1.3	-1.1	0.9	0.6	326	52,477	5.3
Manufacturing	1.8	2.2	-0.7	2.2	-0.3	0.2	405	167,252	2.0
Services-producing industries	**0.4**	**0.1**	**0.0**	**0.5**	**0.4**	**0.2**	**1,564**	**663,473**	**3.5**
Wholesale trade	2.3	0.3	0.1	2.2	0.0	0.0	28	60,076	6.4
Retail trade	1.3	-0.7	-0.5	0.4	-0.8	1.7	883	54,054	5.7
Transportation and warehousing	0.2	1.3	-0.1	2.2	-0.6	0.2	105	43,659	0.7
Information and cultural industries	-0.3	0.9	-0.6	1.0	0.5	0.4	192	46,547	6.6
Finance, insurance and real estate	0.3	0.2	0.1	0.3	0.1	0.1	160	190,371	3.8
Professional, scientific and technical services	0.8	0.9	0.3	0.3	0.2	0.2	90	41,526	2.2
Administrative and waste management services	0.5	0.2	0.1	0.3	0.6	0.6	127	21,247	4.3
Education services	0.0	-1.0	1.1	0.5	0.3	0.4	182	43,915	1.1
Health care and social assistance	0.1	0.3	0.1	0.2	0.4	0.3	162	55,054	3.1
Arts, entertainment and recreation	0.3	-5.2	6.6	0.8	8.4	-7.6	-759	9,180	4.0
Accommodation and food services	-1.6	-0.4	-0.3	0.5	-0.4	0.9	190	22,379	-1.1
Other services (except public administration)	0.5	-0.1	0.1	0.2	0.2	0.2	39	21,343	2.4
Public administration	0.3	0.2	-1.4	-1.4	2.8	0.3	165	54,122	2.3
Other aggregations									
Industrial production	1.8	1.6	0.0	1.7	-0.6	-0.1	-165	231,105	1.3
Non-durable manufacturing industries	1.5	1.4	-0.5	2.0	0.1	0.2	125	69,087	3.0
Durable manufacturing industries	2.1	2.7	-0.8	2.3	-0.6	0.3	280	98,165	1.3
Business sector industries	0.8	0.7	0.1	1.0	-0.1	0.1	1,111	821,146	3.0
Non-business sector industries	0.1	-0.3	0.0	-0.3	1.4	0.1	210	146,204	2.0
Information and communication technologies (ICT) industries	0.5	1.4	0.0	1.0	0.2	0.3	155	60,830	1.8

r Revised figures
p Preliminary figures
1 Millions of dollars at annual rate.